



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
MICHIGAN BROADBAND DEVELOPMENT AUTHORITY
LANSING

JAMES W. BUTLER III
VICE PRESIDENT

Financing Application Form

(Form MBDA 12: Cool Cities WISP Loan)

This form is to be used by private wireless internet service providers (WISPs) seeking 100% project financing for any approved project within the city limits of the 12 communities selected by the Cool Cities Pilot Program. Eligible projects must enhance broadband services in the state of Michigan and provide clear public benefits (expanded availability of services, links to public and non-profit organizations, etc.). Eligible activities include: point-to-point, point-to-multi-point and WiFi hot spot services.

General credit requirements

MBDA uses much the same credit criteria as any private lender. The primary tests of creditworthiness are:

1. Repayment Ability: Borrowers should demonstrate their organization's ability to cover expenses and repay the loan.
2. Management: Borrowers must show their capability to manage the business or project. For a startup, experience in the same industry is critical.
3. Equity: Borrowers must demonstrate their confidence in the project with an equity contribution of approximately 30%, but this varies according to the risk profile of the borrower. **WAIVED**
4. Collateral: Borrowers should offer collateral commensurate with the amount of the loan whether it be company assets, personal assets or government guarantees.
5. Credit History: Borrowers must agree to personal and/or organizational credit reviews.

Completed applications and questions about Broadband Authority financing programs should be forwarded either electronically via e-mail or printed and sent to:

Michigan Broadband Development Authority
Attention: Edwin R. Harlin, Project Manager
735 E. Michigan Avenue
Lansing, Michigan 48912
E-mail: harline@michigan.gov
Phone: 517.241.2121
Fax: 517.373.3150

Confidentiality request

If you would like to request confidential treatment for any or all of the information provided with your application, you will need to fill out the Broadband Authority's Confidentiality Request. Please provide all of the information requested in the form below. Please highlight confidential information if you plan to submit a confidentiality request.

COMPANY NAME:

PROJECT NAME:

APPLICATION DATE:

COMPANY ADDRESS:

Street Address:

City:

State:

Zip Code:

Phone:

Fax:

LEAD CONTACT:

Name of lead contact:

Title:

Direct Phone:

Fax:

E-mail:

1.0 Project Description

1.1. Provide a detailed description of the project to be funded by MBDA monies, including details on technology choices and equipment vendors:

1.2. How much financing are you seeking from the Broadband Authority?

\$_____ Requested term of loan _____ years

1.3. Describe your loan purpose as completely as possible:

1.4. Have you sought funding for this project from a bank or another financial institution?

Yes ☐ No ☐

1.5. If yes, what is the status of that request?

1.6. Describe how this project fits into your overall business plan.

1.7. Describe in detail the benefits of your project to the state of Michigan.

1.8. How might the project be affected by government laws or regulations now or in the future?

Right-of-way issues:

Environmental issues:

FCC and/or PSC regulations:

Other:

1.9. What is the timeframe for the project?

	Begin Date	Completed/Achieved Date
Planning		
Build-out		
Initial Operation		
Full Operation		
Financial Breakeven		

- 1.10. Describe your marketing plan – how will people learn about your product?**
- 1.11. Describe the market that is being served and your target customers (e.g. How large is the market? Is it a business, residential, or government market? What are the demographics?)**
- 1.12. Describe your pricing and product/service list, how you determine pricing and how it compares to your competitors.**

2.0 Company Information

- 2.1. Describe current business operations** – include details on total portfolio of products and/or services, and pricing:
- 2.2. Describe relevant corporate history.**
- 2.3. Related companies, if applicable** – please list all joint ventures, partially or wholly owned subsidiaries, and related companies
- 2.4. Provide background on key executives** – provide a brief description of the educational, technical and business background for all people listed under management, or provide resumes of key executives
- 2.5. Provide information on company Board of Directors.**
- 2.6. List your primary competitors.**

3.0 Business Information

3.1. Business legal structure: Proprietorship ☐ Partnership ☐ Sub-Chapter S ☐
Corporation ☐ Individual ☐ LLC ☐

3.2. Tax ID number:

3.3. Ownership distribution:

Name	Title	% ownership

3.4. Year established:

3.5. Number of employees: Full-time Part-time

3.6. Accountant Phone

3.7. Insurance agent Phone

3.8. Attorney Phone

4.0 Financial Information

4.1. Current banking relationships:

Name of institution	Account type	Contact information of account manager
		Tel:
		Tel:
		Tel:

4.2. Are tax liabilities current? Yes ☐ No ☐

If no, amount \$_____ owed to _____

4.3. Is the business an endorser, guarantor, or co-maker for any obligation not listed in its financial statements? Yes ☐ No ☐

If yes, what is the contingent liability?

4.4. Has the business, any principal, any key officer, or any business owned by the principals or key officers ever declared bankruptcy? Yes ☐ No ☐

If yes, please provide details

4.5. Is the business, any principal or any key officer party to any claim or lawsuit?

Yes ☐ No ☐

If yes, please provide details:

4.6. Are any of the business assets encumbered by liens or attachments of any type?

Yes ☐ No ☐

What	By whom	Amount (\$)

4.7. Are there any operating lease obligations?

Yes ☐ No ☐

If yes, please provide details

4.8. Does your business maintain key man life insurance on any owner, officer or shareholder? Yes ☐ No ☐

5.0 Application Checklist

Please provide the items requested below as attachments to your application.

We prefer electronic submissions. If submitted electronically via e-mail, all attachments should be combined into a single Adobe Acrobat PDF *or* Microsoft Word document with each attachment clearly identified. Attachments 3 and 4 should be submitted in Excel format.

If sent in hard copy, all attachments should be combined into a single document with each individual attachment identified. Attachments 3 and 4 should be submitted in Excel format on electronic storage media (e.g. floppy disk, CD).

Attachments will be provided via:

E-mail with attached files ☐

Hard copy + electronic storage media with Excel files ☐

Required materials for initial review:

☐ **Completed loan application**

☐ **Attachment 1:** Financial statements (Income Statement, Balance Sheet, Statement of Cash Flows) for the past three fiscal years

☐ **Attachment 2:** Interim financial statements for the current period (within 90 days of the filing of the application)

☐ **Attachment 3:** Pro-forma financial statements for the entire business over term of loan – thoroughly documented and submitted as an Excel spreadsheet in electronic format

☐ **Attachment 4:** Financial projections for the proposed project over term of loan – thoroughly documented and submitted as an Excel spreadsheet in electronic format

☐ **Attachment 5:** Summary of project costs (hard and soft costs)

Optional attachments – will be requested by the MBDA after initial review of application:

☐ Detailed timeline for the project

☐ Loan agreements for any outstanding debt

☐ Company organization chart

☐ Participation plan for small and minority owned businesses

☐ Community outreach plan to educate the public of the availability of broadband services in relation to this project

Release Form

Please fill in the spaces below then print, sign and fax this page back to the Broadband Authority at (517) 373-3150.

I certify for the purpose of obtaining credit that I am authorized to submit this loan application on behalf of the organization, and that the information and representations contained in this application and any supplementary information are true, complete, accurate and current to the best of my knowledge. The Michigan Broadband Development Authority and its contractors are authorized to make any credit investigations necessary to process this application and to respond to any inquiries regarding its credit experience with Applicant.

APPLICANT:

(Name of Sponsor Organization)

BY: _____

(Authorized Signature)

TITLE:

DATE: